

National Fuel Gas Distribution Corporation
6363 Main Street
Williamsville, NY 14221

December 28, 2012

Hon. Jaclyn A. Brilling, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brilling:

Enclosed is an electronic version of Monthly Gas Supply Charge Statement No. 137 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 130 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 of our Rate Schedule P.S.C. No. 8 – Gas. The Monthly Gas Supply Charge Statement No. 137 and the Delivery Adjustment Charge Statement No. 130 will be effective commencing with gas used on or after January 1, 2013.

The estimated amount related to surcharges and credits included in Statements No. 130 & 137 is \$2,658,000 based on estimated sales of 74,090,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is a decrease of \$3,756,300 on a monthly basis.

The surcharge calculation for January 2013 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.2 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.01810 /Mcf is applicable for January 1, 2013 through January 31, 2013.

The surcharge calculation for January 2013 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.1 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.00000 /Mcf is applicable for January 1, 2013 through January 31, 2013.

The CIPS Statement No. 34 has been updated to include rates effective January 1, 2013 pursuant to General Leaf No.148.9 of P.S.C. No 8 – Gas.

The Company's Annual Reconciliation filing for the twelve months ended August 31, 2012, pursuant to General Leaf Nos. 78 and 81 of P.S.C. No 8 – Gas is included. The unit surcharge of \$0.2263/Mcf is applicable for the period January 1, 2013 through December 31, 2013.

The calculation for the Research and Development Funding Mechanism pursuant to Commission Order in Case 04-G-1047 is included as a workpaper. The unit surcharge of \$0.0116/Mcf is applicable for the period January 1, 2013 through December 31, 2013.

The Company has updated the Interim Annual Reconciliation filing for the twelve months ended August 31, 2013 pursuant to General Information Leaf No. 81 of P.S.C. No. 8 – Gas and it is included as a workpaper. The unit refund of \$0.4734/Mcf is applicable for the period January 1, 2013 through August 31, 2013. This updated interim reflects a refund of an additional \$5.9 million, which results in a refund of \$0.2113/Mcf in addition to the refund of \$0.2621/Mcf that was effective December 1, 2012. Without this additional refund, current market price projections indicate a projected overcollection in gas costs of \$14.9 million for the period ending August 31, 2013. The Company will continue to monitor its projection of gas under and over recovery on a monthly basis and may adjust this interim reconciliation refund as needed.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 187, Demand Transfer Recovery Rate Statement No. 182, Gas Transportation Statement No. 181, Natural Gas Vehicle Statement No. 187, Standby Sales Service Rate Statement No. 187, Transportation Sales Service Rate Statement No. 189, Reserve Capacity Cost Statement No. 147, Weather Normalization Clause Multipliers Statement No. 130, Distributed Generation Statement No. 116, LIRA Minimum Charge Statement No. 91, Merchant Function Charge Statement No. 97, Incremental Monthly Gas Supply Charge Statement No. 93, Low Income Customer Affordability Assistance Program Statement No. 82, State Income Tax Credits Statement No. 62, Mandatory Upstream Transmission Capacity (“MUTC”) Statement No. 45, Temporary State Assessment Charge (“TSA”) Statement No. 43 and Conservation Incentive Programs Cost Recovery (“CIPs”) Statement No. 34 are included.

This statement is filed in compliance with 16 NYCRR, Section 270.55. Information pertaining to section 270.55d(7) will be delivered under separate cover letter.

In connection with this filing, the Company is also required to submit information that contains trade secrets. Accordingly, the Company has filed the required information with the Department Records Access Officer, together with a request for trade secret protection under the Commission’s regulation. The instant filing includes redacted copies of the documents submitted to the Department Records Access Officer. The information for which trade secret protection has been requested is deleted. Copies of the same documents, with the redacted sections shaded (but legible) for identification, are being submitted to the Department Records Access Office under separate cover.

Very truly yours,

Eric H. Meinl
General Manager
Rates & Regulatory Affairs

Encl.